

July 25, 1996

Mr. Jon Bailey
K. Hovnanian Companies
71 Wyckliffe Street
Newark, New Jersey 07103

Attention: Construction

Re: JMS Invoice No. 12392
Asbestos Abatement/Natural Juice Company

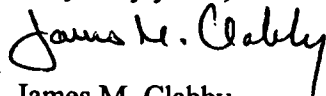
Dear Mr. Bailey:

We are returning the attached JMS invoice with the appropriate backup information you had requested regarding the subcontractor charges incurred from the asbestos abatement project at the former Natural Juice Company building. A breakdown of the subcontractor charges for the project is shown on the copy of their invoice (attached). Please note that the subcontractor labor charges are associated with two (2) men for 1 day (portal to portal) to complete the abatement program, one man for 1½ days for meetings, etc. with City personnel (permitting, final inspection, etc.), as well as time required for preparation of the final abatement report and completion of the required paperwork.

The total charges from the subcontractor are in accordance with the cost estimate they had provided to JMS before the project began. As you recall, this cost estimate was also discussed with Hovnanian prior to conducting the required site work. Based on our experience, the total costs of the asbestos abatement conducted is reasonable and in accordance with standard industry prices.

We apologize for the delay in providing the information you had requested. Please note that the date of this letter shall serve as the revised invoice date (Terms: Net 15 Days). Should you have any questions please do not hesitate to contact me.

Very truly yours,



James M. Clabby
Project Manager

enclosure

cc: Fran Morano

JUL 29 1996

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